

HOUSE BILL 1680

By Johnson P

AN ACT to amend Tennessee Code Annotated, Section 7-57-501 and Section 7-57-502, relative to certain hospitals' anticompetitive activity.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-57-501(b), is amended by deleting the last sentence thereof and by substituting instead the following language:

The general assembly further finds that some public hospitals are at a competitive disadvantage, and that significant investments in the public assets of private act hospital authorities could be jeopardized by the inability to compete with private hospitals because of legal constraints upon the scope of their operations and limitations upon the power granted to public hospitals under existing law. Nothing in this part is intended to exempt a private act hospital authority from antitrust law, federal or state, otherwise applicable to private hospitals.

SECTION 2. Tennessee Code Annotated, Section 7-57-502, is amended by adding the following language as a new subsection (d):

(d) Notwithstanding the foregoing, a private act hospital authority is not exempted in the conduct of its powers hereunder from antitrust law, federal or state, otherwise applicable to private hospitals.

SECTION 3. This act shall be applicable only in counties in which a private act hospital has fifty-five percent (55%) or more of the total hospital discharges within the county, but shall not apply in counties in which a private act hospital is the only hospital provider.

SECTION 4. This act shall take effect July 1, 2011, the public welfare requiring it.